

## **REMARKS**

No claims have been added or cancelled. Claims 1-22 remain pending in the application. Reconsideration is respectfully requested in light of the following remarks.

### **Section 112, Second Paragraph, Rejection:**

The Examiner rejected claims 1-22 under 35 U.S.C. § 112, second paragraph as indefinite. Applicants respectfully traverse this rejection for at least the reasons below. The Examiner contends that the recitation of “each specifying one or more goods to be purchased” in claims 1, 11 and 17 renders those claims indefinite “since it is unclear as to which ‘each specifying’ [Applicants] are referring to”. Applicants respectfully disagree. There is only one recitation of “each specifying” in each of claims 1, 11 and 17. For example, claim 1 recites, in part, “a computer implemented procurement module configured to processes both purchase order requisitions each specifying one or more goods to be purchased and timecard information specifying time information related to one or more rendered services” (italics added). The phrase “each specifying one or more goods to be purchased” clearly modifies the “purchase order requisitions”. Claims 11 and 17 use similar language. One skilled in the art would have no difficulty understanding the subject matter and scope of claim 1. Applicants respectfully request removal of the § 112 rejection of claims 1-22.

### **Section 102(e) Rejection:**

The Examiner rejected claims 1-22 under 35 U.S.C. § 102(e) as being anticipated by Haney (U.S. Publication 2001/0051889). Applicants respectfully traverse this rejection for at least the following reasons.

First Applicants note that this is the same rejection that Applicants previously appealed. In the Office Action mailed October 11, 2005, the Examiner stated that Applicants arguments in regard to this rejection were persuasive. Thus, Applicants are

confused as to why the Examiner is now re-visiting the same rejection. Clarification is requested.

As discussed in Applicants' Related Art section on p. 1 of the specification (as well as in Applicants' previously filed Appeal Brief), existing computer controlled software systems that provide for the management of contract labor are stand-alone programs dedicated solely to the management of contract labor services. Haney is exactly the type of prior art referred to in Applicants' Related Art section. Haney's computer implemented system pertains solely to managing contract labor services. In contrast, Applicants' invention involves the integration of contract labor services management with a procurement system for procuring goods. Applicants' invention treats the contractor as a buyer requesting a purchase order for goods, but the buyer is requesting a purchase order in payment for his time worked. This allows the same approval process normally used for approving purchase requests for goods to also be used for approving the contractor's request for payment. Note that treating a contractor as a buyer is completely counter-intuitive from how the prior art manages contractor services. The prior art, such as Haney, treats contractors as vendors, not buyers. In prior art contractor management systems, such as Haney, the organization hiring the contractor is considered to be the buyer. By reversing these roles, Applicants' invention allows the same procurement system that is used for procurement of goods to be used for managing contractor services. Such a system is not taught or suggested by any of the references cited by the Examiner.

More specifically in regard to claim 1, Haney fails to disclose a timecard module configured to generate a purchase order based on one or more approved electronic timecards, contrary to the Examiner's assertion. Instead, purchase orders are generated in Haney's system as part of the contract labor request procurement process. Specifically, Haney generates a purchase order after selecting a candidate to perform desired contract services, but before the candidate is actually hired or performs any works and certainly before any electronic timecards are generated or approved. *See*, Haney, paragraphs [0021 – 0022] and [0030]. Since, in Haney's system timecards are generated after (at least

portions of) the desired work is performed by the selected contractor and since the purchase order for the desired work was generated previous to the start of the contract work, Haney's purchase order not only does not, but cannot, include information from an electronic timecard. Thus, Haney actually teaches away from generating a purchase order based on approved electronic timecards.

In the Response to Arguments, the Examiner argues since Applicants' claim "includes a server that is 'configured to' do this and 'configured to' do that ... Applicants have not claimed that the claimed machine *actually performs* any of the 'configured to' actions'" (italics by Examiner). The Examiner further states, "[w]ith the proper software, the standard PC is 'configured to' perform virtually unlimited number of functions".

Firstly, the Examiner has failed to consider the fact that claim 11 is a method claim that specifically recites, in part, "generating an electronic timecard", "generating a notification" "in response to receiving said approval form", "generating a purchase order", and "transmitted said purchase order". Similarly, claim 17 recites a computer system including, in part, a memory program instructions executable to implement a method that includes, in part, "generating an electronic timecard", "generating a notification", "generating a purchase order", and "transmitting said purchase order". Thus, the Examiner's argument is the Response to Arguments does not rebut Applicants' arguments as applied with regard to claims 11 and 17.

Secondly, the fact that a standard PC, with the proper software, may be configured to perform virtually unlimited number of functions is irrelevant to Applicants' argument. Applicants' argument is that Haney fails to disclose a timecard module configured to generate a purchase order based on one or more approved electronic timecards. Whether or not a standard PC, if loaded with the proper software, *could be* configured to include a timecard module configured to generate a purchase order based on one or more approved electronic timecards is irrelevant. The Examiner has not cited any prior art that discloses a standard PC loaded with the proper software so that it includes a timecard module configured to generate a purchase order based on one or more

approved electronic timecards. Instead, the Examiner has rejected claim 1 under 35 U.S.C. § 102(e) as being anticipated by Haney. As noted above, Applicants argue that Haney fails to disclose a timecard module configured to generate a purchase order based on one or more approved electronic timecards. The Examiner has not provided any additional argument or rebuttal regarding Applicants' actual argument.

Furthermore, the use of "configured to" does recite positive claim limitations accorded full patentable weight. There is no requirement that an invention must be claimed only in terms of actual operation. When computer software is stored on a computer medium it is configured to perform certain specified functions. There is no requirement that software can be patented only in a mode of actually performing those functions. The use of "configured to" language is a standard form of functional claim limitation clearly recognized in the law as carrying patentable weight. **According to M.P.E.P. § 2173.05(g), "[a] functional limitation must be evaluated and considered, just like any other limitation of the claim" (emphasis added).** The courts have held that a functional claim limitation was "perfectly acceptable [to distinguish over the prior art] because it set definite boundaries on the patent protection sought." *In re Barr*, 444 F.2d 588, 170 USPQ 33 (CCPA 1971).

In response to Applicants' argument that Haney teaches away from generating a purchase order based on approved electronic timecards, the Examiner refers to Haney's teachings regarding a resource manager verifying a CLR form. However, as noted above, Haney's CLR form is used as part of the contract labor request procurement process and specifically before the candidate is actually hired or performs any work and certainly before any electronic timecards are generated or approved (Haney, paragraphs [0020 – 0026]). For instance, Haney teaches that "when requesting manager 22 needs contract labor, she uses her computer to access contract computer 28" and that "computer 28 then provides a contract labor request (CLR)" (Haney, paragraph [0024]). Haney further teaches that upon approval of the CLR a request coordinator allocates it to a resource manager, who then selects vendors to submit resumes of candidates able to fulfill the

contract labor request (Haney, paragraphs [0026 – 0028])). Haney is quite clear that the CLR is part of the labor request, bidding and procurement process.

Furthermore, the Examiner has provided no evidence showing that Haney's system is actually capable of processing both purchase order requisitions specifying one or more goods to be purchased and timecard information specifying time information related to one or more rendered services. Nothing in Haney states or even implies that Haney's system is capable of processing both purchase order requisitions specifying goods to be purchased and timecard information specifying time information related to rendered services. Disregarding specific software instructions, a computer system may be capable of performing a nearly infinite number and variety of functions, but it clearly does not anticipate the infinite number and variety of functions. A computer system configured with a specific set of software instructions (such as in Haney) is configured to perform only a finite set of functions (the functions described in Haney). The Examiner's assertions that Haney's computer system anticipates a computer implemented procurement module for processing both purchase order requisitions and timecard information, even though no evidence is present that Haney's system is configured to operate on purchase order requisitions, are clearly improper and incorrect. Haney's system is not described as being capable of functioning as recited in claim 1. Nor is such functionality inherent in Haney's system. Therefore, Haney cannot be said to anticipate claim 1.

In the Response to Arguments section, the Examiner asserts, "Haney discloses a purchase order that may, for example, include the purchase order number, the purchase order date, the candidate's name and social security number, the vendor's name, remit to code, and address, the billing rates, the hours, the labor amount, the expense amount, the purchase order amount, the start date and the end date." The Examiner has misunderstood Applicants' argument. Applicants are not arguing that Haney fails to disclose a purchase order, *per se*. Applicants are arguing that Haney fails to disclose a computer implemented procurement module configured to process *both purchase order requisitions and timecard information*, as discussed above. Haney's purchase order,

referred to by the Examiner, does not include timecard information. Instead, Haney's purchase order is generated upon selection and final negotiations for the services of a candidate (Haney, paragraph [0030]). As the Examiner admits, the sending of a purchase order completes Haney's "contract labor request procurement process." As Applicants have argued above, Haney's purchase order is generated as part of the contract labor request procurement process and therefore does not, and cannot, include timecard information, since no labor has been performed when the purchase order is generated.

Thus, for at least the reasons presented above, the rejection of claim 1 is not supported by the prior art and removal thereof is respectfully requested. Similar remarks as those above regarding claim 1 also apply in regard to independent claims 11 and 17.

In regard to claim 7, Haney does not disclose an external report generating module configured to generate information to be used by external applications and wherein the external report generating module is configured to format the information using XML data. The Examiner refers to paragraph [0036] in Haney, which describes his system as web-based, using E-mail and a web browser. However, this portion of Haney does not mention anything regarding external applications using information *formatted in XML*.

In the Response to Arguments, the Examiner states that a web browser is software that lets a user view HTML documents and that both HTML and XML are markup languages. However, Haney only states, "possibly with the help of a web browser, ... to present information, a variety of other manners, such as fax or mail, may be used to send information between different entities in system 10, such as the vendors 40a-z and organization 20" (Haney, paragraph [0036]). Nowhere does Haney describe an external report generating module configured to generate information to be used by external applications and to format the information using XML data. Stating that using a web browser may possibly allow information to be faxed or mailed does not have anything to do with the specific limitation from Applicants' claim 7 regarding an external report

generating module configured to generate information to be used by external applications and to format the information using XML data.

Furthermore, the use of XML is not inherent in Haney. “Inherent anticipation requires that the missing descriptive material is ‘necessarily present,’ not merely probably or possibly present, in the prior art.” *Trintec Indus., Inc. v. Top-U.S.A. Corp.*, 295 F.3d 1292, 1295, 63 USPQ2d 1597, 1599 (Fed. Cir. 2002) (quoting *In re Robertson*, 169 F.3d 743, 745, 49 USPQ2d 1949, 1950-51 (Fed. Cir. 1999)). The use of XML is not “necessarily present” or required in all web browser software. For example, a web browser may function using only HTML and never use XML. The Examiner has not shown that XML is inherent or necessarily present in Haney’s system. Therefore, Haney cannot be said to anticipate claim 7.

Thus, the rejection of claim 7 is not supported by the prior art and removal thereof is respectfully requested. Similar remarks as those above regarding claim 7 also apply in regard to claims 16 and 22.

With regard to claim 8, Haney does not disclose an electronic timecard comprising a plurality of line items describing said contractor services including: a contractor identification; a description of services rendered; an amount of hours performed for said services rendered; an hourly rate for the hours; and subtotals representing the amount of hours by the hourly rate. The Examiner refers to Haney’s FIG. 6, which indicates fields such as Vendor Name, Consultant Name, Social Security Number, etc. However, FIG. 6 of Haney does not indicate several of the specifically listed information fields such as a description of serves rendered, an hourly rate for the hours and subtotals representing said amount of hours by said hourly rate. Instead, Haney teaches a timesheet that includes a consultant’s supervisor and project names, as well as account codes for the project. Haney describes how a consultant may enter the days and times worked. *See*, Haney, paragraph [0054]). However, nowhere does Haney describe that timecard line items include description of services rendered, an hourly rate,

or subtotals representing the amounts of hours by the hourly rate. Thus, Haney clearly does not anticipate claim 8.

**Applicants note that the Examiner has not only failed to consider the specific limitations recited in Applicants' claim 8, but has also failed to ever address this argument when presented previously.** For at least the reasons given above, the rejection of claim 8 is not supported by the prior art and removal thereof is respectfully requested.

Regarding to claim 9, Haney does not disclose a contractor profile for a contractor, the contractor profile including: a contractor identification; authorized projects for the contractor; authorized work types for the contractor; an authorized hourly rate for the contractor; and an approver for the contractor. The Examiner refers to FIG. 4 and paragraphs [0049-51] in Haney. Haney's FIG. 4 depicts his contract labor request form including fields such as CLROrder No., Manager, Location, Phone Number, .etc. However, none of the cited portions of Haney, nor any other portion of Haney, mention a contractor profile or the specific listed information fields: contractor identification; authorized projects for said contractor; authorized work types for said contractor; an authorized hourly rate for said contractor; and an approver for said contractor.

For at least the reasons given above, the rejection of claim 9 is not supported by the prior art and removal thereof is respectfully requested.

In regard to claim 10, Haney does not disclose an approval notification comprising information from the electronic timecard and an accounting code associated with each line item of the electronic timecard. The Examiner refers to fields 614-616 of FIG. 6 in Haney. However at paragraph [0054], Haney states that fields 614-616 of FIG. 6 of the time sheet form contain account codes for a *particular project*, and FIG. 6 clearly shows a plurality of work segment line items for which no account codes are provided.



Therefore, there is no teaching in Haney regarding an accounting code *associated with each line item* of an electronic timecard. Furthermore, the time sheet form illustrated in FIG. 6 of Haney is not an approval notification. Haney teaches that after a timesheet is submitted, the timesheet is relayed to the hiring manager for approval. Thus, rather than disclosing an approval notification comprising information from an electronic timecard, Haney teaches sending the actual time sheet to a manager for approval.

For at least the reasons given above, the rejection of claim 10 is not supported by the prior art and removal thereof is respectfully requested. Similar arguments also apply in regard to claims 15 and 21.

Applicants also assert that the rejection of numerous other ones of the dependent claims is further unsupported by the cited art. However, since the rejection has been shown to be unsupported for the independent claims, a further discussion of the dependent claims is not necessary at this time.

## CONCLUSION

Applicants submit the application is in condition for allowance, and prompt notice to that effect is respectfully requested.

If any fees are due, the Commissioner is authorized to charge said fees to Meyertons, Hood, Kivlin, Kowert, & Goetzel, P.C. Deposit Account No. 501505/5681-90600/RCK.

Also enclosed herewith are the following items:

- ☒ Return Receipt Postcard
- ☐ Petition for Extension of Time
- ☐ Notice of Change of Address
- ☐ Other:

Respectfully submitted,



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